Oklahoma

Current Farm Economics

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Summary

EDITOR'S NOTE: CURRENT FARM ECONOMICS is now available on microfilm for the year 1949. The 1950 film will soon be available. You may order from: University Microfilms, Ann Arbor, Michigan.

General.—More shifting of productive capacity to war goods together with high personal incomes wiill cause upward pressure on prices. While price controls and an anticipated increase in taxes will tend to prevent a rise in many prices, it is likely that prices for many commodities will rise still further.

Cotton.—Upward trend in prices halted, at least temporary, when price freeze orders were issued. Considerable confusion present in current market. Cotton prices this fall will be supported at 30 cents or more.

Wheat.—Supplies appear to be ample now, but production prospects in the southwest are not as favorable as they might be. Wheat prices are expected to be at least at parity levels.

Feed.—Ample supplies and, although prices may be a little higher, the relationship between livestock prices and feed prices is favorable for liberal feeding of well-balanced rations.

Peanuts.—Price supported at 80 to 90 percent of parity and may approach $225.00 per ton.

Hogs.—More pigs at somewhat higher prices at least in the early part of the year.

Dairy.—Strengthening demand—continued high prices.

Sheep & Lambs.—Short supply of mutton—continued high prices.

Wool.—Continued strong demand and high prices.

Beef Cattle.—Increase in cattle slaughter expected in the later half of the year. Upward pressure on prices will be even stronger than last year, but price controls on meats will be reflected back to live animal prices.

Poultry Products.—Outlook somewhat better than previously thought possible. Increased consumer demand for poultry meat and eggs, and somewhat fewer chickens on farms than reported earlier will tend to support prices for poultry products.

ON THE COVER: Leo V. Blakley, member of the Agricultural Economics staff, and author of the "The Agricultural Situation" report, page 7. (Another in a series of pictures of Agricultural Economics and Extension Division staff members whose reports appear in CURRENT FARM ECONOMICS.)

A Nutshell Plan for the Individual Farmer

In view of the prospect for continued war-preparedness programs, whether peace, continued Korean War, other local aggressions, or World War III be in prospect, it seems wise for the one-half of American farmers who represent 10 percent of the population and produce 90 percent of the farm output for more than 150 million people to:

1. Keep control of the land, equipment, and livestock needed for production at full capacity.

2. Purchase in advance of needs the equipment, repair parts, and supplies required for the season's production; avoid overbuying as hoarding.

3. Exercise credit for the necessary resources and supplies. Fixed expenses of modern farming add to more than the principal and interest payments on a large debt.

4. Repair *essential* farm buildings immediately, almost regardless of cost. The construction industry is a likely wartime casualty.

5. Raise the wages of the good hired man and increase his efficiency, but don't let him go down the road; he won't be back.

6. Eliminate inefficient small enterprises; expand those that are most efficient.

7. Avoid wasting expensive resources on poor producers, but fertilize or feed liberally those that pay.

8. Watch economic conditions closely and adjust to them whenever this can be done without upsetting the basic farm business organization.

9. Abstain from new enterprises that appear to be attractive because of temporary price advances.

10. Consider it a patriotic duty not to allow broken parts, short supplies, or inefficient methods to interfere with the productive operation of the farm-business machine entrusted to their management.

For the remaining one-half of American farmers who produce only 10 percent of the national farm output, work in industry and the armed forces offers many attractive opportunities.—*F. L. Underwood.*

Current Farm Economics

OKLAHOMA

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L. A. PARCHER, Editor | PETER NELSON, Dept. Head

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DIVISION OF AGRICULTURE
Oklahoma A. & M. College, Stillwater

Oklahoma Agricultural Experiment Station
W. L. Blizzard, Director
Louis E. Hawkins, Vice Director

Oklahoma Agricultural Extension Service
County Agent Work;
Shawnee Brown, Director

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The Agricultural Situation

GENERAL

Demand

The emphasis on production by government as reflected by the timing and intensity of governmental activity and expenditures require that some basic adjustments be made in our economy. All the goods and services which will be needed can not be supplied by increased productivity over and above domestic needs during 1951. Consequently, a part of the resources used for the production of domestic goods must be diverted to the production of military and defense goods. To accomplish this shift in resource use, controls on the utilization of resources in the form of price and wage controls were placed into effect during the latter part of January. These controls were designed to supplement the increased controls by the government through direct allocation of raw materials, higher taxes, and tighter credit conditions.

In general, prices were frozen at the highest levels charged in the period December 19, 1950, through January 25, 1951, and wages were frozen at the rates prevailing January 25, 1951. With the gradually rising price level during this period, the effective ceiling date for the prices of most commodities is January 25, 1951.

Apparently, consumers felt that some commodities were overpriced, and that in these cases the need for rollbacks existed—especially in the prices of foods included in the cost of living. The Defense Production Act of 1950, however, provides in effect that agricultural commodity prices shall be exempt from the present price ceilings at the producer level *until* they are equal to the highest prices (seasonally adjusted) of either the current parity prices or the prices received by producers during the period May 24, 1950, to June 24, 1950. In other words, this special provision allows for increasing prices of many agricultural commodities.

Since the processors, wholesalers, and retailers could not be expected to absorb all of these higher prices and still maintain operations, these higher prices paid to producers can be passed on through all subsequent stages of distribution in exact dollars and cents amounts if the proper authorities decide that the increase is justified.

Other segments of the economy probably will receive special considerations under the price and wage controls. Many industrial wages are tied directly to the cost of living and, when the cost of living increases, it is probable that both wage and price increases will be granted which are approximately in line with the changes.

These changes which will be granted represent a continuation of adjustments of the economy from peacetime operations to quasi-wartime operations. Although some adjustments have been made, many more must be completed in order that the use of resources might be compatible with the defense and armament needs of the country.

Perhaps the most urgent need of our economy at present is increased productive capacity. A sufficiently large increase would allow additional defense goods and production of civilian goods at the 1950 levels. However, capacity can be substantially increased only by the temporary diversion of steel, labor, and other raw materials from the production of finished goods to the production of capital goods such as factories, machines, and equipment. It is this need for increased productive capacity that has warranted the instigation of relatively flexible price and wage controls under which controlled adjustments through price changes, or price incentives, are possible. These controlled adjustments, attempting to encourage and bring about larger productive capacity, probably will result in upward price adjustments in some industries over the next few months.

At present, industrial production, employment, and personal income are running at high rates. However, it must be remembered that it may be as late as June or July before the full effects of increased armament expenditures will be felt. This means that there could be a temporary leveling off in the demand for commodities during the next two or three months. Of course, a movement of buying in anticipation of increased taxes could offset this expected leveling out process.

Price

Strong demand conditions caused higher prices for most agricultural commodities. The index of prices received by United States farmers increased 14 points from December, 1950, to 300 percent of the 1910-14 average on January 15, 1951.* This is the highest level since January, 1948, when the index was 306. On the other hand, the index of prices paid by farmers including interest, taxes, and wage rates increased 7 points from December, 1950, to 272 percent of the 1910-14 average on January 15, 1951. The relationship between these index numbers gives a parity ratio of 110 compared with 108 in December, 1950, and with the all time high of 122 in October, 1946.

The index of prices received by Oklahoma farmers increased 3 percent, or 9 points, from December, 1950, to 334 percent of the 1910-14 average. The unrevised index of prices paid by farmers (excluding interest and taxes) increased 4 points to 277 percent of the average for the same period.

All commodity groups except chickens and eggs contributed to the increase in the prices received by Oklahoma farmers in January (Table 1). The largest increases were reported for meat animals, dairy products, and miscellaneous crops. By contrast, prices of chickens and eggs decreased about 28 percent from the abnormally high prices of December 15, 1950.

Compared with January a year earlier, prices of all commodity groups were higher, with the increase in prices of crops larger than the increase in prices of livestock and livestock products. Individually,

* *Agricultural Prices*, USDA, BAE, January 1951, p. 1.

TABLE 1.—PERCENTAGE CHANGES IN JANUARY, 1951, PRICES FROM PRICES IN SELECTED MONTHS IN 1950 BY COMMODITY GROUPS: OKLAHOMA.

Commodity Group	From January 1950	From December 1950
All Commodities	+38.6	+ 2.8
Total Crops	+43.2	+ 3.2
Grains	+11.5	+ 4.3
Cotton and Cottonseed	+62.4	+ 2.5
Miscellaneous Crops	+ 6.4	+ 9.3
Total Livestock and Livestock Products	+29.7	+ 1.9
Meat Animals	+33.8	+ 8.1
Dairy Products	+13.5	+ 7.2
Chickens and Eggs	+28.9	−28.4

Source: Tables of Prices and Price Indexes in this edition of *Current Farm Economics.*

meat animals and cotton and cottonseed experienced the largest increases while miscellaneous crops, grains, and dairy products experienced only moderate increases. However, these changes represent only price changes and do not necessarily indicate the relative profitability of any particular enterprise.

Income

The estimate of total cash receipts of United States farmers for 1950 has been revised upward slightly from 27.6 billion dollars estimated previously.* Substantially higher prices have been instrumental in altering this estimate.

Cash receipts in January are tentatively estimated at 2.3 billion dollars. Of this total, receipts from crops are expected to be about 1.0 billion dollars, and receipts from livestock and livestock products may be 1.3 billion dollars. This estimate of total cash receipts is down about 10 percent from December, but is 5 percent higher than receipts in January a year earlier. Most of the decline from December was attributed to a smaller volume of farm marketings—especially crops. Chickens, turkeys, corn, cotton, and soybeans are the more important commodities for which the volume of sales will be significantly lower in January and February.—*Leo V. Blakley.*

FARM REAL ESTATE**

SALES VOLUME MAY RISE

The rate of farm real estate sales during the year ending last March declined for the third consecutive year. The rate was down 9 percent from the previous year and more than a third below the rate for the

* *The Farm Income Situation*, USDA, BAE, December 1950, p. 2.

** *Current Developments in the Farm Real Estate Market*, Bureau of Agricultural Economics, United States Department of Agriculture, November, 1950.

peak years 1946-47. With farm real estate prices moving upward again, the total number of farms sold during 1950 may not be much below the level for 1949. In an October survey, about one-fourth of the reports showed the number of sales last summer and early fall was larger than during the same period a year earlier.

Dealer reports this October indicated an increase in the number of inquiries to buy farms. This was especially evident in the East and West North Central States, and the West South Central States. Many reporters indicated that the inquiries were from investor buyers and farmers seeking additional land, as well as tenants who had been forced to purchase in order to obtain a farm. Dealer reports also indicated that a substantial part of the increased demand for farm land since Korea has come from businessmen and investors seeking an investment against inflation; farmers who wish to invest surplus cash in real assets, and increase the size of their business in order to take advantage of expected high return from farming; and persons who have delayed the purchase of land in the expectation that land prices would be lower.

Farm Mortgage Recordings Rise

The dollar-value of farm mortgages recorded during the third quarter of 1950 was the largest for any comparable period since 1934, when an extensive refinancing program was under way. The amount of mortgages recorded by miscellaneous lenders during the third quarter of 1950 was 69 percent larger than a year earlier, while the dollar-volume of insurance company loans was 35 percent greater. Commercial banks ranked third with respect to the amount of increase, and loaned one-third more than during the third quarter of 1949. Mortgages closed by individuals were up 18 percent, and the Federal Land Banks showed a gain of 12 percent. *Mortgage payments and releases have not kept pace with the increase in new mortgages recorded.* As a result, total outstanding farm mortgage debt for January 1 is expected to show fully as large an increase over a year earlier as occurred last January.

During 1951 land values are expected to show continued strength. Net farm income this year is likely to be at least 15 percent higher than in 1950, and net rental returns are also expected to continue favorable. Federal and state taxes on the proceeds from the sale of farm lands may continue to discourage sales in some instances. Consequently, many owners will tend to hold their property, and the number of farms offered for sale even at somewhat higher prices is likely to be limited. A survey of real estate dealers revealed that a greater decrease in volume of sales of good and poor land as compared to average quality land is expected. The explanation was that there would be a scarcity of good farms offered for sale, and buyers in many instances would be reluctant to purchase poorly improved and "rundown" farms.—*Robert L. Tontz.*

CROPS

Cotton

The demand for cotton has continued to increase relative to the supply. This was shown by the upward trend of prices to record-breaking levels in recent weeks, until the price "freezing" orders were issued. The price "freezing" orders have created considerable confusion in the cotton market currently (February 5, 1951).

The license, or permit system, has effectively held the price of American cotton below the world price, as seen by comparison with the prices of other growths. Only a few years back Brazilian Sao Paulo Type 5—fairly comparable to American Middling 15/16—was selling for about 4 cents less than American Middling 15/16, but it is now selling for about 70 cents per pound. Mexican Middling 15/16 is selling for about 48 cents plus 8 cents export tax, or 56 cents.

Detailed controls of American cotton prices appear likely to involve numerous administrative difficulties that will be costly, and also will be likely to reduce the efficiency of the cotton marketing system.

While some areas of the cotton belt suffered from low yields on the 1950 cotton crop, the estimated average yield per acre was 265.4 pounds, which is 4.1 pounds above the 10-year (1939-1948) average.* The acreage abandoned from natural causes and destroyed to comply with allotments in 1950 was estimated at 4.3 percent of the July 1 planted acreage. The 10-year (1939-1948) average abandonment from natural causes was estimated at 1.9 percent of the planted acreages as of July 1. If only the 10-year average abandonment and the 10-year average yields had been realized on the 1950 crop, it would have amounted to only 120,000 more bales, or an amount insufficient to effect the supply situation very materially.

The price to expect for cotton this fall is rather indefinite. It likely will be supported at 30 cents or more, and the market price may be slightly higher to a great deal higher. While 40-cent cotton seems high in some respects, it is not as high in other respects as it at first appears. A comparison of current prices with past prices of cotton is misleading. Not only have alternative products increased in price, but the methods of production have been improved more for many of the other alternative or competitive farm products.

Only about 6 percent of the 1949 cotton crop was estimated to have been harvested with machines.** The proportion of the 1951 cotton crop that will be machine harvested will increase considerably, especially in Western Oklahoma, Northwest Texas, California and certain other areas. However, over three-fourths of the 1951 crop likely will be harvested by hand. Hand labor for cotton harvesting probably will be both scarce and high priced. If 16,000,000 bales of cotton are

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* USDA, BAE Crop Reporting Board, December 1, 1950, Cotton Estimate.

** USDA, PMA Cotton Branch, "Charges for Ginning and Related Data, Season 1949-50," Mimeographed Sheet.

to be produced, the price will need to compare favorably to that of other products, all factors considered, rather than to past prices of cotton alone.—*John D. Campbell.*

Peanuts

Peanut price supports are mandatory at 80 to 90 percent of parity in 1951. Based on a slightly higher parity index anticipated for 1951, prices to eligible Oklahoma growers may be near $225.00 per ton basis 90 percent of parity.

Allotments and marketing quotas will be in effect in 1951, since growers voted favorably early in December to continue marketing quotas for the 1951, 1952, and 1953 crops. The 1951 peanut allotment for Oklahoma is 153,290 acres, as compared to 183,600 acres in 1950. The national allotment for 1951 is 1,771,117 acres for peanuts picked and threshed, and a marketing quota of 650,000 tons (1.3 billion pounds). National allotment was 2,100,000 acres last year.

Marketing quotas probably will remain in effect for the 1951 crop year to encourage a maximum cotton acreage; cotton and peanuts compete for the same acreage.—*James R. Enix.*

Wheat

Interest in wheat is focused on the markets where prices have increased sharply within the past two months. Several factors influencing this direction and possible future direction are listed below.

The supply of wheat in the coming year will likely be large as indicated in the previous issue of CURRENT FARM ECONOMICS. Both the carry-over and the prospect of crop for 1951 indicate that this will be the case. As far as can be seen at present, supplies should be more than ample in the coming year. Production prospects, however, are not good in the southwest, although even here weather, insect, and disease conditions of the next few months will largely determine the size of the crop. The fact, however, that growing conditions have not been favorable thus far has tended to push up prices in the markets.

The demand for wheat is good and, except for the possible extra requirements from war activity, will not be greatly different than in the past. Exports are down from the previous few years but better than they would otherwise be without the International Wheat Agreement.

Apparently the major demand factor influencing the increase in wheat prices is the inflationary condition of our economy. As long as expenditures are financed in part out of credit there will be pressure on prices, and wheat prices will be among those affected. Agricultural prices thus far are not affected by price control legislation until they reach parity level. Wheat prices in particular have been below the parity level. To the extent that prices of products and services used in agricultural production go up as a result of this general inflation, the

parity price will also go up for a particular product as it is tied to the index of prices paid by farmers.

Apparently many people in the markets are thinking, for example, of conditions in World War II when prices of many products were at ceiling levels for a great share of the period. They expect, therefore, that wheat prices will approach or go up to parity price levels. Consequently, the market might increase more yet if this is the case. This future movement is highly uncertain for, on one hand, supplies are relatively large and, on the other, there is an inflationary pressure. —*Adlowe L. Larson.*

FEED

Supplies of grain and other concentrates available for feeding continue to appear ample for the current season, despite a 3-percent increase in the number of grain-consuming animal units in the country. For three years, corn supplies have exceeded 3.8 billion bushels (as compared to less than 3.0 billion before the war), while stocks of oats, barley, and grain sorghums total more than 10 percent above last year.

By-product feed supplies are again expected to be relatively large, the shortage of cottonseed cake and meal being more than offset by the large supplies of soybean products from the 1950 crop. Currently, prices of soybean and linseed meals are lower than those for cottonseed meal. A slight reduction in supplies of wheat millfeeds is covered by increased production of distillers' dried grains and gluten products.

Following the third largest and one of the best distributed hay crops on record, hay supplies are larger than in any previous year in proportion to numbers of livestock that use hay.

According to the Federal-State Crop and Livestock Reporting Service, range feed condition was 74 percent on January 1, about 3 points below December, but 1 point above the average for January 1. Open weather has permitted use of cured grasses on ranges, but many stockmen are doing supplemental feeding. Wheat pastures in the Great Plains have declined sharply since mid-November, for both cattle and lambs. Although soil moisture has been limited, stock water supplies appear generally adequate.

Price and supply situations appear favorable for liberal feeding of well-balanced rations in the current feeding year.—*F. L. Underwood.*

LIVESTOCK AND LIVESTOCK PRODUCTS

Beef Cattle

An interesting development in the beef situation includes the new federal grade standards for steer, heifer and cow carcasses. The changes were designed to make the grades more useful in reflecting beef production practices and consumer preferences.

The three new grades are *Prime*, *Choice*, and *Good*. First, the old Prime and Choice beef grades are combined under *Prime*. The old Prime grade had little application, because less than 1 percent of the beef qualified for this grade. Second, the old Good grade is renamed *Choice*. Third, a new *Good* grade consisting of beef from the higher quality young cattle, previously graded Commercial, is also established. Commercial beef now comes mostly from older cattle previously graded as such. Commercial grade division permits a separate designation for high quality beef from young animals that did not previously qualify for a higher grade because of low ratio of fat to lean.

These grade revisions did not affect standards for Utility, Cutter, and Canner grades.

Federal grade standards for slaughter cattle have also been revised. Changes in the standards for grades of veal and calf carcasses are expected soon.

Lower Inshipments of Cattle Expected

Movements of Canadian cattle and beef into the United States during the next year or two are expected to be at a lower rate as compared to the past two years, according to C. L. Harlan, who conducted a study of Canadian prospects.

The U. S. Department of Agriculture has amended the meat inspection regulations to allow imports of Mexican canned meat. The meat inspection system in Mexico has been recognized as the substantial equivalent of the system in the United States. Imports, however, of fresh, chilled or frozen meats from Mexico are still prohibited.

Fed Cattle Slaughter Supplies About Same As Last Spring

The increased meat output in late 1950 resulted from the large number and heavier weights of cattle slaughtered in addition to a peak hog slaughter in December. Output of meat under federal inspection for December may have reached a postwar high.

The seasonal reduction in meat production in the next month or two is expected to be moderate. Total production in January-March may be slightly above a year earlier. Meat consumption per civilian consumer for January to March may be almost as large as in the same period of 1950.

Slaughter of fed cattle appears likely to hold up well early in 1951, because a substantial number of cattle about ready for market were carried over on January 1.

The volume of cattle feeding this winter is expected to be nearly as large as last winter. Placements on feed during the early fall were less than a year earlier. An even larger percentage of all cattle on feed are young stock as compared to last winter. The prospects are that slaughter supplies of fed cattle will decrease in late winter and be little

if any larger this spring than last spring. The increase in total 1951 cattle slaughter over 1950 will be confined mainly to the second half of the year.

Stronger Pressure on Prices Expected

Even though numbers shipped have not declined as much as last year and have recently been larger than a year ago, prices of feeder and stocker steers rose to a new high of $29.62 per hundred pounds early in December.

Prices of cattle for slaughter have shown a tendency to advance in recent weeks, especially prices of the top grades. Demand is likely to remain strong, not only for the best grades of slaughter cattle but for the lower grades as well.

Expanding defense expenditures are expected to add to consumer incomes in 1951. Since meat supplies per person early in 1951 will be no larger than a year earlier, the upward pressure on prices will be stronger than during this period last year.

Government Controls Established

On February 9, the government ordered that until April 1 no slaughterers can operate unless they were in business between January 1 and February 9. All except farm slaughterers must register with the office of price administration by March 15. If they do not register, they will not be permitted to continue in business after the first of April. Under the new order, each slaughterer will be allowed the same percentages of the total slaughter as he had in the corresponding period of 1950. New slaughterers will be allowed to open only upon application for permission.

On January 26, meats were placed under price control at wholesale and retail levels. Prices of live animals are not under control.—*—Robert L. Tontz.*

Dairy

The strengthening in consumer demand and slightly smaller United States production stimulated rises in practically all dairy products and fluid milk prices during the past few months. At the national level, consumption of both fluid milk and manufactured dairy products has increased. Here in Oklahoma where the agricultural output was slightly lower in 1950 and war materials production is just getting underway, consumption has not changed much. In fact, in Oklahoma City total Class I sales under the Federal Milk Order were slower in December, 1950, than for May, 1950 (see Table II). The downward trend in Tulsa was not quite as great.

Milk Production in 1950 was about 121 billion pounds, and is expected to be near this amount in 1951 (see Figure 1). This leveling-off in production follows annual drops since 1946. Butter and American

cheese took heavy drops during the period (1946-50), showing a sustained consumption of fluid milk.

Butter Production in 1950 was 1.3 billion pounds, which was slightly less than for one year earlier. In Oklahoma, butter production totaled 32.3 million pounds for 1950. About 128 million pounds of butter were purchased by the Commodity Credit Corporation in 1950.* However, the scarcity of commercial stocks and the lower butter production in 1950 resulted in higher prices, and considerable butter was sold by the C.C.C. during the latter part of 1950. Stocks declined in both December and January and amounted to 52 million pounds the latter part of January, 1951.

United States Cheese Production in 1950 was 882 million pounds. This was about six percent below 1949; however, there also was an accumulation of cheese in government storage. Stocks of all cheese amounted to about 215 million pounds on January 1, 1951, but there was a considerable reduction in December and January. Wholesale prices of single daisies were 45½ cents at Chicago on January 31, 1951, a rise of nearly seven cents per pound in the 30-day period.

Evaporated Milk Production in 1950 was 2.8 billion pounds, which was about five percent more than in 1949. Manufacturers' stocks were the lowest in December since 1947. The price in January was $6.20 per case** in the Eastern markets, compared to $5.67 in December, 1950, and $5.22 a year earlier.

The output of Canned Condensed Milk was the lowest in 1950 for any year since 1942; however, the production of the product packed in large containers was the highest on record. Prices rose in the latter part of 1950, and carlots averaged 13 cents per pound in December, 1950, compared to 12.7 cents per pound one year earlier.

The production of Non-Fat Dry Milk amounted to 844 million pounds in 1950, about 10 percent less than for 1949. Stocks on hand in January, 1951, were about 22 million pounds in manufacturers' warehouses, and 290 million held by the C.C.C.

Ice Cream Production in the United States amounted to 539 million gallons in 1950. The 1950 total was 3 percent less than for 1949 and 5 percent less than the 5-year average. Lower production was due chiefly to unusually cool weather throughout the United States.

Prices of Fluid Milk at the producer and retail levels advanced in January in many markets. The increase was from one cent to four cents per quart. The average change in retail prices was about 1½ cents per quart from one year earlier. Producers supplying 100 cities received about 33 cents per 100 pounds more for milk in January, 1951, than for the same month in 1950.

In Oklahoma, producers supplying Tulsa and Oklahoma City-

* The C.C.C. purchase was only of the higher grades.

** A case consists of 48 cans, each weighing 14½ oz.

TABLE II.—INFORMATION ON DAIRY PRICES, PRODUCTION AND SALES IN THE OKLAHOMA CITY MARKETING AREA. (May, 1950, to January, 1951) *

	Total Production (Pounds)	Class I Sales** (Pounds)	Class II Sales** (Pounds)	Production in Excess of Class I (Percent)	Class I (Price)	Class II (Price)	Uniform Price	Premium Paid*** (cents)	Gross Return†
May	10,948,809	8,434,184	2,514,625	22.97	$4.52	$2.89	$4.10	16.1	$4.261
June	10,419,613	7,897,024	2,522,589	24.21	4.469	2.85	4.05	16.0	4.21
July	10,448,981	7,825,501	2,623,480	25.11	4.845	2.86	4.34	—	4.34
August	9,671,878	8,003,033	1,668,845	17.25	4.854	2.90	4.50	12.4	4.624
September	8,412,750	8,078,970	333,780	3.97	4.929	2.985	4.85	21.2	5.062
October	8,044,429	7,832,407	212,022	2.64	5.03	3.035	5.00	11.4	5.114
November	8,222,633	7,956,209	266,424	3.24	5.16	3.08	5.04	5.0	5.09
December	9,218,135	8,236,812	981,323	10.64	5.217	3.185	5.00	—	5.00
January					5.546	3.41			
February					5.847				

* Some data not available to date (2-6-51).

** Class I milk is all milk (skim milk and butterfat) disposed of in the form of milk, skim milk, buttermilk, flavored milk, flavored milk drinks, cream, cultured sour cream, aerated products containing milk or cream, and any mixture of cream and milk or skim milk except Ice Cream Mix. Class II milk is all milk (skim milk and butterfat) used to produce any product other than those specified under Class I milk.

*** Premium paid by handlers in addition to uniform price.

† Includes uniform price and premium.

SOURCE: Milk Market Administrator, Kenneth Fell, PMA Dairy Branch, Oklahoma City, Oklahoma.

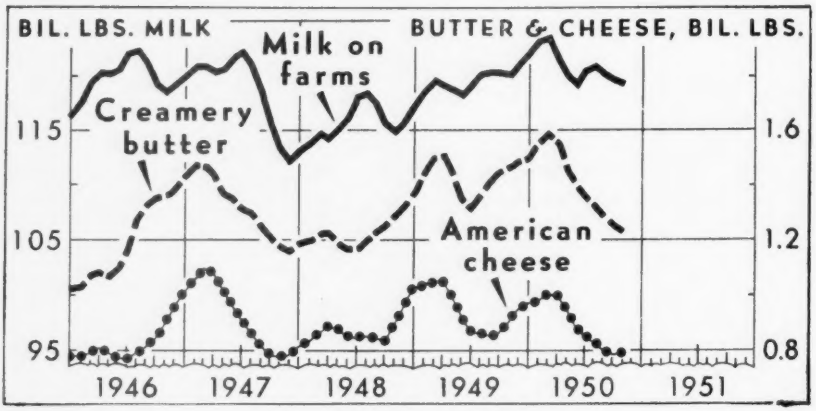

Fig. 1.—Production of milk, butter and cheese. (Annual rates by months—3-month moving averages of monthly annual rates.)

Milk production declined to a postwar low at the end of 1947, following the drought of that year. Despite some recessions, the decline was followed by a steady upward trend through the first quarter of 1950. For the past several months, the annual rate of milk production has fluctuated within narrow limits, and has been about equal to the output of a year earlier. The output of butter and cheese recently has declined substantially, as a result of larger consumption of fluid milk and larger production of evaporated milk. (USDA-BAE graph.)

Norman milk sheds and operating under Federal Order will receive $5.84 per 100 pounds for four percent Class I* milk in February, 1951.

The price in these markets is calculated by using the highest one of the three market outlets below for producer milk, plus $1.65 per 100 pounds.

1. Eighteen midwest condenseries.
2. Butter—powder turn-out milk prices.
3. Average prices paid by 4 designated manufacturing plants in Oklahoma.

Under the Federal Order the prices paid are minimum prices, and processing plants may pay more. Plants paid premiums for six months in 1950 at Oklahoma City (see Table II).

While some factors in the dairy outlook are very fluid, it appears that generally better prices and a broader demand are in prospect for dairy farmers. It is definitely one of the important war food products.**

* Official price announcement—Kenneth M. Fell, Milk Market Administrator, January 4, 1951, 227 N. W. 23rd Street, Oklahoma City, Oklahoma.

** The regulations regarding dairy product prices in the "Defense Production Act, 1950" are too lengthy to list here. They may be obtained by writing the Editor, *Current Farm Economics*, Agri. Econ. Dep't., Okla. A. & M. college, Stillwater, Okla.

Producers generally will need to plan labor-saving operations to cope with the reduced civilian man power available for dairy work.—*A. W. Jacob.*

Hogs

UNITED STATES.—The 1950 pig crop as reported by the Bureau of Agricultural Economics on December 1, 1950, was the third largest on record. Total reported—100.7 million head—is exceeded only by the war-time crops in 1942 and 1943.

Hog producers intend to continue increasing pig production in the spring of 1951. Hog breeding intentions December 1 indicated that the number of sows to farrow from December, 1950, through May, 1951, would be 9,920,000. If these intentions materialize and the number of pigs saved per litter equals the average, the 1951 spring pig crop would be about 63.5 million head. It is interesting to note that the United States pig crop has increased annually since 1946, and if the 1951 fall total equals that of 1950, the trend upward will continue in 1951.

Hog slaughter reached the seasonal peak in mid-December and moved downward during late December and the first week of January. The number rallied slightly during the last three weeks of January.

Hog prices increased slowly during early December but increased sharply about the middle of the month. They have continued upward as the marketings have decreased in January. Normal seasonal price rise and continued strong demand for meat should cause further price increases during February.

The hog-corn price ratio based on average farm prices was lower in 1950 than in 1949. The ratio was lower this fall because the price of corn was up more than the price of hogs. On November 15, the ratio was 13.0, which was about equal to the long-time average for the month. There will probably be some rise in the ratio in the next few months as hog prices advance relatively more than corn prices.

OKLAHOMA.—The 1950 pig crop for Oklahoma was reported as 1,360,000 head. This was composed of a spring crop of 710,000 head and a fall crop of 650,000. Fall breeding intentions December 1 indicated that 114,000 sows would be bred for spring farrowing; this is a 3 percent increase over 1950.—*Howard S. Whitney.*

Poultry

CHICKENS.—Prices received for poultry have increased since mid-December and may remain near present levels in spite of recent minor price declines, fluctuations and uneasiness in central markets. A lower level of marketing of hens, increasing consumer income and high prices for competing meats can be expected to lend strength to the market. Increasing feed costs, a tightening labor supply and the development of numerous attractive alternative uses for the resources required to

TABLE III.—EGG PRICES RECEIVED BY OKLAHOMA FARMERS, JANUARY 1942 TO JANUARY 15, 1951.
(Cents per dozen)

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Av.
1942	30.2	24.8	25.0	24.4	25.7	27.0	27.0	27.5	29.4	31.4	33.2	34.7	28.4
1943	35.4	33.3	32.9	32.4	32.9	33.3	32.6	32.6	34.3	37.5	39.0	39.6	34.6
1944	32.4	31.6	29.7	26.0	26.7	27.0	28.0	28.5	29.9	32.6	38.6	41.1	31.0
1945	37.5	31.2	30.7	30.8	30.5	31.1	32.3	33.5	30.0	35.0	44.7	45.5	34.4
1946	37.5	29.4	30.1	29.7	30.0	30.0	32.0	32.0	40.0	44.0	41.0	43.0	34.9
1947	38.1	35.1	36.0	37.5	36.5	36.7	38.3	37.4	43.6	47.8	47.7	57.6	41.0
1948	44.3	39.7	38.3	38.3	35.4	36.4	37.0	38.0	41.7	46.0	52.0	53.0	41.6
1949	43.0	40.5	37.9	38.3	38.4	36.7	36.5	38.4	42.4	46.0	46.1	40.9	40.4
1950	28.4	27.6	27.8	26.3	26.1	25.9	26.4	29.4	32.9	36.5	40.5	59.2	32.2
1951	37.5												

SOURCE: "Prices Received by Farmers," Mid-Monthly Release, Agricultural Statistics Division, B.A.E., U.S.D.A., Oklahoma City, Oklahoma.

TABLE IV.—CHICKEN PRICES RECEIVED BY OKLAHOMA FARMERS, JANUARY 1942 TO JANUARY 15, 1951.
(Cents per pound)

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Av.
1942	14.8	15.3	15.8	16.1	16.8	16.8	15.9	16.7	17.9	17.8	17.2	17.7	16.6
1943	19.0	19.8	20.7	22.1	22.1	22.6	22.3	21.7	22.0	22.3	22.5	21.9	21.6
1944	21.9	22.2	22.2	21.4	21.5	21.8	21.8	21.4	22.0	21.4	21.4	22.1	21.8
1945	21.8	22.1	22.5	23.2	24.0	24.7	24.9	25.8	22.8	21.8	20.9	21.4	23.0
1946	21.6	21.6	21.7	22.4	23.5	23.4	25.5	23.4	24.0	27.0	21.9	22.4	23.2
1947	22.4	21.2	23.0	23.8	23.5	22.2	22.0	22.0	22.5	23.4	22.1	21.6	22.5
1948	22.2	22.4	23.0	24.0	24.0	26.0	28.2	25.7	27.0	26.4	25.8	28.0	25.9
1949	27.0	27.0	26.2	28.1	24.8	21.6	20.0	20.4	20.6	19.8	19.9	19.7	22.9
1950	17.3	18.2	19.5	19.3	18.4	18.4	18.4	20.8	19.6	19.2	19.5	19.7	19.0
1951	21.0												

SOURCE: "Prices Received by Farmers," Mid-Monthly Release, Agricultural Statistics Division, B.A.E., U.S.D.A., Oklahoma City, Oklahoma.

TABLE V.—POULTRY RATION COST PER 100 POUNDS, TO OKLAHOMA FARMERS, JANUARY 1942 TO JANUARY 15, 1951.
(Dollars)

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Av.
1942	2.01	2.07	2.13	2.12	2.11	2.11	2.10	2.17	2.16	2.14	2.16	2.20	2.12
1943	2.37	2.39	2.45	2.53	2.60	2.63	2.71	2.77	2.75	2.77	2.82	2.86	2.64
1944	2.91	2.92	2.92	2.95	2.96	2.91	2.88	2.87	2.78	2.71	2.71	2.69	2.85
1945	2.72	2.73	2.76	2.79	2.78	2.80	2.84	2.86	2.85	2.89	2.91	2.94	2.82
1946	2.96	3.02	3.10	3.11	3.35	3.49	3.84	3.81	3.63	3.58	3.63	3.47	3.42
1947	3.39	3.42	3.77	3.85	3.85	3.81	3.94	4.08	4.35	4.42	4.53	4.76	4.01
1948	4.92	4.36	4.47	4.56	4.48	4.34	4.17	3.77	3.51	3.43	3.45	3.53	4.08
1949	3.52	3.41	3.45	3.52	3.45	3.29	3.33	3.32	3.29	3.27	3.25	3.30	3.37
1950	3.29	3.29	3.34	3.45	3.53	3.45	3.53	3.56	3.44	3.34	3.39	3.52	3.43
1951	3.65												

SOURCE: "Prices Received by Farmers," Mid-Monthly Release, Agricultural Statistics Division, B.A.E., U.S.D.A., Oklahoma City, Oklahoma.

TABLE VI.—EGG-FEED PRICE RATIOS, OKLAHOMA*
(Pounds of poultry ration** equal in value to one dozen eggs)

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Av.
1942	10.0	12.0	11.7	11.5	12.2	12.8	12.9	12.7	13.6	14.7	15.4	15.8	12.9
1943	14.9	13.9	13.4	12.8	12.7	12.7	12.0	11.8	12.5	13.5	13.8	13.8	13.2
1944	11.1	10.8	10.2	8.8	9.0	9.3	9.7	9.9	10.8	12.0	14.2	15.3	10.9
1945	13.8	11.4	11.1	11.0	11.0	11.1	11.4	11.7	10.5	12.1	15.4	15.5	12.2
1946	12.7	9.7	9.7	9.5	9.0	8.6	8.3	8.4	11.0	12.3	11.3	12.4	10.2
1947	11.2	10.3	9.5	9.7	9.5	9.6	9.7	9.2	10.0	10.8	10.5	12.1	10.2
1948	9.0	9.1	8.6	8.4	7.9	8.4	8.9	10.1	11.9	13.4	15.1	15.0	10.0
1949	12.2	11.9	11.0	10.9	11.1	11.2	11.0	11.6	12.9	14.1	14.2	12.4	12.0
1950	8.6	8.4	8.3	7.6	7.4	7.5	7.5	8.3	9.6	10.9	11.9	16.8	9.4
1951	10.3												

SOURCE: "Prices Received by Farmers," Mid-Monthly Release, Agricultural Statistics Division, B.A.E., U.S.D.A., Oklahoma City, Oklahoma.

* These ratios are not indicative of and must never be interpreted as "cost of production." They include only cost of feed, and all other costs of production are in addition.

** Poultry feed ration: percentages of specified feeds include commercial mash, 32.7 percent; home mixed mash, 11.2; commercial scratch, 4.0; corn, 14.0; wheat, 16.3; oats, 9.9; barley, 1.3; sorghum grain, 10.6 percent. Individual producers' ration cost may be more or less than the above stated costs as estimated by the Bureau of Agricultural Economics. In case poultry-ration cost and egg prices for producers in any community differ from those shown in Table V and Table III, respectively, the actual ratios can be calculated by taking feed cost and dividing by actual egg prices per dozen.

grow a flock of poultry will have a tendency to prevent over-production of poultry meat in the season at hand.

Prices received for poultry by Oklahoma farmers went up from 19.7 to 21.0 cents per pound between December 15 and January 15, an increase of 6.6 percent. During the same period, price of poultry ration increased by 5.8 percent, leaving poultry producers in no greatly improved position. It seems probable that any additional price for poultry will be matched by a similar increase in the costs of labor, feed and supplies; however, this should not discourage those who have time and facilities to produce at normal levels.

Eggs.—Egg prices in December reached the highest December level in 30 years. This resulted from a combination of factors which included: (1) Relatively low production during the fall months, (2) low storage stocks as storage had been cleared out in anticipation of higher production, (3) bad weather which reduced production and slowed deliveries and (4) consumer demand which required eggs even at greatly increased prices.

The slump after early December naturally followed as price increasing forces spent themselves, and the supply returned to a more normal position. The price quoted by Oklahoma farmers as of December 15 probably does not indicate the highest price received as the market broke earlier in the month. However, the increase from 40.5 cents in mid-November to 59.2 in December, and the drop to 37.5 on January 15, indicate some drastic price fluctuations.

The egg price outlook for 1951 does not seem as depressing as had been indicated earlier, since the number of potential layers on farms January 1 appears to have been about 3 percent lower than previously anticipated. Consumer income is expected to remain high and, as other foods are high in price, a strong demand for eggs can be anticipated. The January 15 egg price quotation of 37.5 cents was 9.1 cents above January 15, 1950, but only 1.1 cents above the 10-year average. The egg-feed price ratio in January, 10.3, compares very well with the 8.6 ratio of a year earlier but is lower than the 10-year average of 11.4 for January 15.

While there is no plan for purchase of surplus eggs for drying this year, eggs may be purchased if needed for use in government-sponsored programs such as school lunches.

It appears likely that increasing costs and attractive alternative uses for resources may cause neglect of laying flocks on many farms. This should put those who prepare for economical fall production in an advantageous position.

Turkeys.—A recent survey by the Oklahoma Crop and Livestock Reporting Service indicates that Oklahoma farmers plan on producing about 5 percent more turkeys this year than last. This would be about 82 percent of the average number raised during the five-year period 1943-47, and less than one-half of the 1937-46 average.

For the nation as a whole, intentions indicate a 1 percent increase this year over last, a record year. Growers in the West North Central section indicated a reduction, while other divisions indicated intentions ranging from 100 to 108 percent of last year's turkey production. Lower 1950 turkey prices and higher feed prices are chiefly responsible for intended reductions in the Northwest where most production is on a large scale.

Elsewhere, higher turkey prices are anticipated to develop from full employment and generally higher food prices.

The number of turkeys actually raised usually varies from reported intentions because of weather, feed prices and supply and price of hatching eggs and poults. Prices received by producers during the last half of 1951 averaged 5 percent lower than in 1949, while feed prices rose 8 percent. Live turkey prices at mid-December were 3 percent under a year earlier, while the cost of poultry ration was up 11 percent. Thus growers received much smaller returns in 1950.—*E. A. Tucker.*

Sheep, Lambs and Wool

SHEEP AND LAMBS.—Fewer sheep and lambs are being fed for market this year than last, a short supply of feeder lambs being the main cause of the reduction. The shortage can be attributed to the small lamb crop and a higher-than-usual percentage of animals held back for breeding. The decreased number of lambs on feed has been felt in most of the Corn Belt states and the western states.

Sheep and lambs that have arrived at feed lots from western supply points are heavier in weight than last year, and indications are that the feeding period will be short. Many lambs moved to market from the lots as early as December. Because of shorter feeding periods, the *seasonal peak for feed lot lambs is likely to be earlier than usual.*

Prices for feeder lambs have been at record high for the season so far with an average of $30.00 per hundred at Omaha, Nebraska, in December. This is $7.50 over the December average for 1949 of $22.50 per hundred. All indications point to continued strong prices for lambs in the first half of 1951.*

Reports should be watched closely for indications of a briefly increased volume of feeder lambs coming on the market, which may lead to temporary price declines.

The price for mature sheep has also been, and should remain, strong. These animals are also selling at record prices with a mid-November price of $13.20 per hundred, breaking a 40-year record.

WOOL.—The world demand situation for wool continues to be strong. Foreign market prices have all advanced slightly since mid-November. Boston prices for all foreign and domestic wools in mid-

* A typographical error in the December issue of this publication left the impression that lambs would not be so high this year. The Editor apologizes.

December were slightly higher than the month previous. The Oklahoma farm price for wool was 10 cents higher January 15 than a month earlier. All indications point to continued strong wool prices in the first half of 1951. Consumption of apparel wool is up and exceeding figures for the past year. During the period January to October, 361 million pounds were consumed as compared with 275 million pounds in 1949. Carpet wool for the period exceeded 1949 by 33 million pounds.—*Lanny W. D. Gallup.*

Farming Cost Outlook for 1951*

Indicative statements from other phases of the outlook** suggest that all major categories of cost will be higher in 1951 than in 1950, which indeed appears likely. Some items are expected to reach the highest cost levels on record; others are expected to rise but not to reach the peaks of recent years. For convenience, farming costs may be classified into three groups: (1) Labor and industrial products used in farming, (2) farm products entering into farm operation, and (3) costs of ownership.

Farm Labor and Wage Rates.—United States agriculture relies less on men, particularly draft-age men, and has a better physical plant than in 1940. Farm wage rates, however, are much higher than the 1935-39 level; work that used to cost $1.00 now costs $3.55. Oklahoma cotton-picking wages in 1950 were 3.73 times the 1935-39 level, per hundred pounds of seed cotton. Wages are the highest priced ingredient in the farm product. Every other cost category is cheaper. Industrial wages are even more attractive to workers than are farm wages, although the spread between the two has been lessened since 1940. Mobilization and war manufacture are not likely to reduce the relative attractiveness of industrial wages, and the supply of available farm workers is expected to be reduced below the 1950 supply. Farm wages are expected to rise as much as 10 percent by the end of 1951. Farmers will be forced to increased mechanical operating and structural efficiency, and to greater output per acre or animal in order to maintain present rates of output per dollar of wages.

Machinery and Equipment.—Retail prices are expected to rise above 1950 peaks. Manufacturers' costs of materials and labor are expected to rise, and allocation to war-preparedness programs to restrict supplies. Further rise in actual (but unreported) prices may occur later if rationing and price-fixing induce black-market operations. New machinery now costs 179 percent of pre-War II levels, motor vehicles 198, new tractors 173, motor supplies 141, gasoline 134. All

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* Partly adapted from federal outlook reports, especially Carl P. Heisig's "Outlook for Farm Costs for 1951," supplemented by author's analyses of U. S. Dept. of Commerce data, figures from Oklahoma farm accounts, other sources, and observation.

** See *Current Farm Economics*, Volume 23, No. 6, December, 1950.

items cost less than labor. Supplies are cheaper than new machinery or repairs.

Farmers' purchases have been large each year for 10 years except 1943, so that the amount of machinery on farms is about twice the 1940 volume. We have less than half as many horses and mules on farms but 3 times as many tractors as in 1935-39. Use of motor supplies has doubled. Output of farm products per unit of machinery has declined since 1943, but with restricted supplies and increased production effort the rate of output may rise again. Farmers are better equipped than in 1940, and machinery is still relatively much cheaper than labor.

Building and Fencing Materials.—Building materials now cost 211 percent of 1935-39 levels. They are expected to rise further and face new restrictions. For a period of time roughly equivalent to 30 to 40 percent of that normally required to accomplish a building cycle, the volume of new construction per capita in the United States has risen very rapidly. In terms of 1910-14 dollars, the volume in 1949 was $67 per capita, as compared to $20.53 in 1944. Total construction in 1943 was 77 percent public in nature, whereas in 1948 it was 77 percent private. Prices are high and rising; the rise would probably continue even under normal conditions until the building-activity cycle turns downward. Defense mobilization and reallocation of materials may intensify this tendency. However, building needs are better cared for than they were in 1940, and even at present prices, machinery is cheaper than buildings to house it.

Supplies.—General supplies such as rope, twine, ties, containers, etc., are not expected to be especially short, though they may experience some increase in price. New type insecticides and fungicides may develop scarcities, requiring reversion to older methods of pest control, for which supplies appear to be ample. These materials are cheaper than labor or machinery.

Fertilizer.—Prices declined in 1950 and are expected to rise in 1951, but fertilizer is the cheapest ingredient in the farm product, averaging now only 41 percent more than in 1935-39, although its use has increased considerably in recent years. Local shortages may result from difficulties of transportation. Farms having an advantage in the use of fertilizer will find it to be a much cheaper investment than more land, labor, or machinery to produce the same increase in total output.

Livestock Purchases.—Livestock will cost more in 1951 than ever before. Foundation livestock should be bought on the basis of productivity, rather than pedigree or appearance.

Feed.—Grain and hay supplies are expected to be ample though some hay is of poor quality. Pastures and ranges generally are in good condition, but in some areas moisture shortages have limited the growth, particularly of winter wheat pastures. Feed processing costs will go up.

Protein feed prices may rise more than grain prices but probably not enough to make it unprofitable to properly balance the rations of good producers. Seasonal buying may save money.

SEED.—Except for special legumes and grasses mainly adapted to the North and East, seed prices generally follow the fieldcrop price level. Some varieties of cotton planting seed are in short supply. Good seed is cheaper than a poor stand. Pastures may be cheaper than processed feeds. Cover crop seeds are about 2.5 times as plentiful as last year, and prices are down.

COSTS OF OWNERSHIP.—Costs of ownership are also expected to rise but not uniformly. *Land values* and *rentals* are rising again, which will discourage entry into farming. New capital gains taxes will not absorb the increase. *Taxes* will continue to rise even after farm product prices fall. *Interest* and *insurance* costs will rise because of larger amounts involved rather than because of increased rates.

Translation of gross income to net income depends on costs. If weather continues favorable, gross income is expected to rise faster than costs. Commercial farming is more subservient to costs than it was 10 years ago. In general, the proportion of all costs represented by machinery has increased by a half in 10 years. The proportion represented by interest has declined about two-fifths. Despite the increased output per day's work, the proportion of all farming costs represented by labor has remained relatively steady for the country as a whole, because of the marked increase in wage rates. Areas most advantaged by mechanization have reduced the importance of labor costs, but in other areas it has increased. The change from oats power to gasoline power gives a kind of expense that has to be met with cash. This can be done readily as long as product prices rise faster than cost prices, which appears likely for the year ahead.—*F. L. Underwood.*

Prices Received by Farmers, Price Indexes, and Indexes of Purchasing Power of Oklahoma Farm Products
(1910-1914=100)

	Prices					Price Indexes					Purchasing Power Indexes [1]				
	1950	1950			1951	1950	1950			1951	1950	1950			1951
	Jan.	Oct.	Nov.	Dec.	Jan.	Jan.	Oct.	Nov.	Dec.	Jan.	Jan.	Oct.	Nov.	Dec.	Jan.
	(Dollars)					(Percent)					(Percent)				
Grain						217	220	222	232	242	87	82	82	85	87
Wheat (bu.)	1.96	2.00	2.01	2.09	2.15	228	233	234	243	250	91	87	86	89	90
Corn (bu.)	1.21	1.17	1.22	1.32	1.46	186	180	188	203	225	74	67	69	74	81
Oats (bu.)	.81	.83	.84	.90	.95	180	184	187	200	211	72	68	69	73	76
Barley (bu.)	1.12	1.20	1.20	1.25	1.29	190	203	203	212	219	76	75	75	78	79
Rye (bu.)	1.17	1.45	1.40	1.50	1.45	136	169	163	175	169	54	63	60	64	61
Grain Sorghums (bu.)	1.08	.90	.95	1.02	1.14	159	132	140	150	168	64	49	52	55	61
Cotton and Cottonseed						226	335	362	358	367	90	125	134	131	132
Cottonlint (lb.)	.256	.367	.392	.384	.395	227	325	347	340	350	91	121	128	125	126
Cottonseed (ton)	43.00	82.00	97.00	101.00	102.00	220	419	496	516	521	88	156	183	189	188
Miscellaneous Crops						187	167	173	182	199	75	62	64	67	72
Potatoes, white (bu.)	1.75	1.55	1.55	1.50	1.60	158	140	140	135	144	63	52	52	49	52
Potatoes, sweet (bu.)	2.50	2.10	1.95	2.05	2.30	203	171	159	167	187	81	64	59	61	68
Hay, all loose (ton)	17.40	15.90	17.20	18.80	20.50	197	180	195	213	232	79	67	72	78	84
Total Crops						222	289	307	308	318	89	107	113	113	115
Meat Animals						340	415	420	421	455	136	154	155	154	164
Cattle (cwt.)	18.80	22.90	23.30	23.50	25.20	389	474	482	487	522	156	176	178	178	188
Calves (cwt.)	21.50	25.70	26.50	27.40	29.20	360	430	441	459	489	144	160	164	168	177
Sheep (cwt.)	9.00	11.80	12.40	12.70	13.10	195	254	268	276	284	78	94	99	101	103
Lambs (cwt.)	21.20	25.90	27.00	27.50	30.50	364	444	463	472	524	146	165	171	173	189
Hogs (cwt.)	15.20	18.90	18.30	17.80	19.80	216	268	260	253	281	86	100	96	93	101

PRICES AND INDEXES, *Con't.*

	Prices					Price Indexes					Purchasing Power Indexes [1]				
	1950	1950			1951	1950	1950			1951	1950	1950			1951
	Jan.	Oct.	Nov.	Dec.	Jan.	Jan.	Oct.	Nov.	Dec.	Jan.	Jan.	Oct.	Nov.	Dec.	Jan.
	(Dollars)					(Percent)					(Percent)				
Dairy Products						237	240	244	250	269	95	89	90	92	97
Milk, wholesale (cwt.)	4.35	4.55	4.60	4.70	4.85	225	236	238	243	251	90	88	88	89	91
Butter (lb.)	.64	.64	.64	.65	.67	286	286	286	290	299	114	106	106	106	108
Butterfat (lb.)	.55	.55	.56	.58	.64	235	235	239	248	273	94	87	88	91	99
Chickens and Eggs						166	205	222	299	214	66	76	82	110	77
Chickens (lb.)	.173	.192	.195	.197	.21	184	204	207	210	223	74	76	76	77	81
Eggs (doz.)	.284	.365	.405	.592	.375	160	205	228	333	211	64	76	84	122	76
Total Livestock and Livestock Products						286	340	346	364	371	114	126	128	133	134
All Commodities						241	304	318	325	334	96	113	117	119	121

SOURCE: Compiled by Dept. Agri. Econ., Oklahoma A. and M. College, from data supplied by Bureau of Agricultural Economics, U.S.D.A., Oklahoma City, Oklahoma, and Washington, D. C.

For previous years, see Oklahoma Agri. Exp. Sta. Bull. 238, *Oklahoma Farm Price Statistics, and Current Farm Economics*, Okla. Expt. Sta. Series 49, Vol. 13, Nos. 1 and 2, Feb.-Apr., 1940. Tables 16-19, and subsequent issues.

[1] The ratio of prices received by farmers to prices paid by farmers for commodities used in living and production.

—Joyce Van Den Broeder.

Price Indexes in the United States and Oklahoma and Indicators of Changes in Domestic Demand.

Year and Month	PRICE INDEXES Average 1910-14=100					INDICATORS OF CHANGES IN DOMESTIC DEMAND	
	Index of Prices Received by Farmers		Index of Prices Paid by Farmers United States	All-Commodity Index of Wholesale Prices United States	Oklahoma Hog-Corn Price Ratio[2]	Index of Demand Deposits Oklahoma[3] [4] 1923-25=100	Index of Factory Payrolls[5] 1939=100
	Oklahoma[1]	United States					
1925	164	156	157	151	11.05	106.5	
1926	134	145	155	146	16.44	102.0	
1927	134	139	153	139	14.54	100.5	
1928	151	149	155	141	10.72	100.3	
1929	145	146	153	139	10.65	92.3	
1930	112	126	145	126	11.04	77.4	
1931	71	87	114	107	14.30	60.6	
1932	51	65	98	95	14.59	47.3	
1933	65	70	99	96	7.36	44.9	
1934	90	90	112	109	4.73	53.3	
1935	107	108	117	117	10.35	60.8	
1936	109	114	116	118	9.53	74.6	
1937	111	121	123	126	11.56	82.1	
1938	82	95	116	115	15.64	84.9	
1939	84	93	121	113	11.33	89.4	
1940	92	98	123	114	8.61	92.0	113.6
1941	117	122	130	127	13.77	86.6	164.9
1942	152	157	152	144	14.35	107.4	241.5
1943	172	188	167	150	11.69	162.3	331.1
1944	181	195	176	152	10.56	215.9	343.7
1945	184	202	181	154	11.95	285.3	293.5
1946	226	233	203	177	11.56	335.3	271.1
1947	286	278	246	222	13.34	348.5	326.9
1948	293	287	264	241	12.69	353.3	351.4
1949	257	251	253	226	15.00	347.4	——
1950 Jan.	241	235	250	220	12.56	356.6	329.7[6]
Feb.	246	237	250	223	13.22	353.6	330.1[6]
Mar.	252	237	251	223	12.83	353.6	333.5
Apr.	258	241	254	223	11.82	349.6	337.1[6]
May	263	247	258	228	12.93	344.7	349.0[6]
June	265	247	260	229	13.36	346.0	362.2[6]
July	281	263	261	238	15.75	350.0	367.5
Aug.	286	267	263	243	16.06	345.0	394.4[6]
Sept.	308	272	265	247	17.84	339.7	403.4[6]
Oct.	304	268	269	247	16.15	341.2	415.8
Nov.	281	276	271	250	15.00	333.3	——
Dec.	273	286	273	256	13.48	348.6	——
1951 Jan.	334	300	277	261	13.56	——	——

SOURCES: Indexes of Oklahoma prices received by farmers, computed by Dept. Agri. Econ., Okla. Agri. Exp. Sta., Stillwater, Oklahoma. Indexes of U. S. prices received and prices paid by farmers and indexes of U. S. wholesale prices, from *Agricultural Prices*, Bur. of Agri. Econ., U.S.D.A., Washington, D. C. Indexes of demand deposits in Oklahoma, calculated by Dept. Agri. Econ., Okla. Agri. Exp. Sta., from data furnished by Federal Reserve Board, Washington, D. C. Indexes of factory payrolls, from U. S. Department of Labor, Bureau of Labor Statistics, Washington, D. C.

[1] Prices received by Oklahoma farmers for 21 commodities. For data prior to 1925 see Okla. Agri. Exp. Sta. Bul. No. 238.

[2] These figures indicate the number of bushels of corn that could be purchased with 100 pounds of live hogs at current Oklahoma prices received by farmers.

[3] Demand deposits of Oklahoma member banks of the Federal Reserve System located in places under 15,000 population.

[4] Index numbers based on net demand deposits prior to 1936 and upon gross demand deposits since that date. For a discussion of this index see CURRENT FARM ECONOMICS, Oklahoma Agricultural Experiment Station Series 49, Vol. 13, Nos. 1 and 2. Feb.-Apr. 1940. p. 41.

[5] Unadjusted for seasonal variation.

[6] Revised.

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